

RECORDATION NO. 26231-A FILED

SEP 26 '08

2-44 PM

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

SURFACE TRANSPORTATION BOARD

VIA UPS 2nd DAY AIR

September 24, 2008

Ms. Anne K. Quinlan
Surface Transportation Board
395 E Street S.W., Suite 100
Washington, DC 20024
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of a Memorandum of Lease Agreement, dated September 12, 2008, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Surface Transportation Board under Recordation Number 26231.

The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Performance Minerals Corp.
13535 South Torrence Avenue
Chicago, IL 60633

A description of the railroad equipment covered by the enclosed document is fifteen (15) 100 ton, 3560 cu. ft. open-top hopper cars, with FURX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Best regards,


Marcia Dunne
Sr. Rail Documentation Specialist

Enclosures

(PFM1002)

ASSGN. NO.: PEMI002

SEP 25 '08

2-44 PM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 12th day of September, 2008, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Performance Minerals Corporation ("Lessee"), an Alabama corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of October 4, 2004, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 2 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of December 1, 2007, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. SeymourName: RICHARD F. SEYMOURTitle: VICE PRESIDENT SALES & MGT.By: K. A. DombrowskiName: K. A. DombrowskiTitle: DIRECTOR OF DOCUMENTATION Executed on this 12th day of September, 2008.

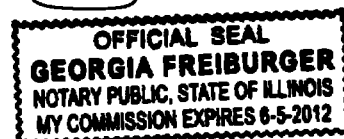
[CORPORATE SEAL]

STATE OF ILLINOISCOUNTY OF COOK

I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 12th day of September, 2008.

Commission Expires:

6-2012
(Notary Public)

LESSEE:

PERFORMANCE MINERALS CORPORATION

ATTEST:

By: [Signature]

Name: STEPHEN T. COATES

Title: FINANCE DIRECTOR

By: [Signature]

Name: STEPHEN GLEASON

Title: PRESIDENT

Executed on this 22 day of August, 2008.

[CORPORATE SEAL]

STATE OF Illinois

COUNTY OF Cook

I, Rebecca C Johnson, a Notary Public of the County and State
aforesaid, certify that Stephen Gleason personally appeared
before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 22 day of August, 2008.

Rebecca C Johnson
Notary Public

Commission Expires:

04/06/09
(Notary Public)

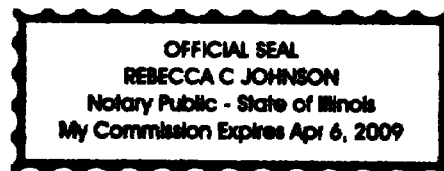


EXHIBIT A
To
MEMORANDUM OF LEASE

NUMBER OF CARS: Fifteen (15)

DESCRIPTION OF CARS: 100-ton, 3560 cubic foot capacity, steel open top hoppers with gravity gates and a total weight on rail of 263,000 lbs.

CAR NUMBERS:

FURX 922803
FURX 922805
FURX 922824
FURX 922841
FURX 922844
FURX 922848
FURX 922850
FURX 922857
FURX 922860
FURX 922862
FURX 922865
FURX 922871
FURX 922874
FURX 922876
FURX 922877